

2005-2006 PERFORMANCE PLAN – SENIOR INVESTMENT OFFICER, REAL ESTATE – (Michael McCook)

Quantitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule	Quarterly Status Report
5%	Industrial Sector Performance	Excess returns in basis points of the Total Industrial Portfolio return before fees versus the Disaggregated NCREIF Industrial Sub-Index, for the fiscal year ending June 30, 2006, (returns lag one quarter);	0 basis points = 0 +50 basis points = 1.0 +75 basis points = 1.5	Total Industrial portfolio yearly return for the most recently available period did outperform the NCREIF disaggregated index (66.1% vs. 15.72%).
5%	Office Sector Performance	Excess return in basis points of the Total Office Portfolio return before fees versus disaggregated NCREIF Office Sub-index, for the fiscal year ending June 30, 2006, (returns lag one quarter)	0 basis points = 0 +50 basis points = 1.0 +75 basis points = 1.5	Total Office portfolio yearly return for the most recently available period did outperform the NCREIF disaggregated index (65.7% vs. 15.30%).
5%	Retail Sector Performance	Excess returns in basis points of the Total Retail Shopping and Mall portfolio Sector return before fees versus disaggregated NCREIF Retail Sub-index, for the fiscal year ending June 30, 2006, (returns lag 1 quarter);	0 basis points = 0 +50 basis points = 1.0 +75 basis points = 1.5	Total Retail portfolio yearly return for the most recently available period did outperform the NCREIF disaggregated index (59.5% vs. 21.29%).
5%	Multi-Family Sector Performance	Excess returns in basis points of the Total Multi-Family Portfolio return before fees versus the disaggregated NCREIF Multi-Family Sub-index for the fiscal year ending June 30, 2006 (returns lag one quarter).	0 basis points = 0 +50 basis points = 1.0 +75 basis points = 1.5	Total Multi-Family portfolio yearly return for the most recently available period did outperform the NCREIF disaggregated index (26.9% vs. 17.18%).
25%	Total Core Portfolio Performance	Excess returns in basis points of the Total Core Portfolio Performance before fees versus NCREIF Total Performance for the fiscal year ending June 30, 2006, (returns lag one quarter);	0 basis points = 0 +50 basis points = 1.0 +75 basis points = 1.5	Total Core portfolio yearly return for the most recently available period did outperform the NCREIF disaggregated index (57.4% vs. 16.94%).
25%	Non-Core Portfolio Performance	Total Non Core portfolio return before fees exceeds NCREIF Total Performance for the fiscal year ending June 30, 2006 (returns lag one quarter, 15% weight). Total Housing portfolio performance before fees exceeds NCREIF Total Performance for the fiscal year ending June 30, 2006 (returns lag one quarter, 10% weight).	0 basis points = 0 +100 basis points = 1.0 +150 basis points = 1.5 0 basis points = 0 +200 basis points = 1.0 +300 basis points = 1.5	Total Non Core portfolio yearly return for the most recently available period did outperform NCREIF total performance (40.7% vs. 18%). Total Housing portfolio yearly return for the most recently available period did outperform NCREIF Total Performance (35.3% vs. 18%).
10%	Total Fund Performance	Excess return in basis points relative to total fund performance benchmark (SJIC – CPERSTOT).	-40 basis points = 0 0 basis points = 1.0 +20 basis points = 1.5	
80%	Subtotal	Quantitative Measures		

2005-2006 PERFORMANCE PLAN – SENIOR INVESTMENT OFFICER, REAL ESTATE - (Michael McCook) Continued

Qualitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule	Quarterly Status Report
10%	Real Estate Annual Investment Plan (3.33%) Core and Non-Core Conferences (3.33%) Training Initiatives (3.33%)	Implementation of the following objectives: a. Develop, present and gain approval of the Real Estate Annual Investment Plan and objectives to the Investment Committee by June 30, 2006. b. Develop and deliver presentation(s)/conferences to our Core and selective Non-Core Partners regarding our portfolio standings and strategic initiatives by June 30, 2006. c. Develop and implement training sessions (minimum of 3 with overall evaluations average score above 70%) for staff on real estate investment areas through a variety of in-house and/or outside sources.	a. From Schedule b. From schedule c. From Schedule	a. In Process b. In Process c. In Process
5%	Green Initiative	Implement green initiative program and reporting objectives with applicable partners by June 30, 2006.	From Schedule	In Process
5%	Diversity Initiative	Implement and promote all elements of the enterprise wide diversity plan that relate to the responsibilities of the investment office by June 30, 2006.	From Schedule	In Process
20%	Subtotal	Qualitative Measures		
100%	Total	Quantitative and Qualitative Measures		

Supervisor's Approval: Original Signed by Mark Anson

Date: November 30, 2005